

# 2006 / Fiscal Year 2007 Priorities

## 2006 Legislative Initiative Eminent Domain

To protect Missouri's home, farm, and business owners, the Governor will work to ensure state law provides for balance, by allowing government to exercise eminent domain only in limited circumstances where there is a clear and direct public purpose. To ensure Missouri property owners' rights continue to be protected under recent court decisions, the Governor recommends Missouri's eminent domain laws be modified to:

- Prohibit eminent domain use to take farm land for economic development purposes.
- Define just compensation, blight, public use, and good faith negotiations.
- Ensure property owners are made aware of their rights and there is adequate time for property owners to engage in the process.
- Allow for mediation and cost recovery.
- Protect land owners if a condemning authority acts in bad faith or does not use the easement for its original purpose within a given timeframe.
- Limit eminent domain powers to elected officials or their appointees, requiring governments to consider alternate routes or sites.

## 2006 Legislative Initiative Statewide Ten Percent Ethanol Standard

This year the Governor proposes that Missouri become the fourth state to move toward fuel produced in the Midwest and away from fuel produced in the Middle East.

- The Governor proposes legislation that will require all fuel sold in Missouri to contain a 10 percent ethanol blend.

## Continued Commitments to Producers of Renewable Fuels

To support the continued development of renewable fuels, the Governor's budget includes:

- \$5.3 million to the state's Biodiesel Producer Incentive Fund to support biodiesel production payments anticipated in Fiscal Year 2007.
- \$625,000 to fully fund Fiscal Year 2007 ethanol production and maintain current efforts to fulfill commitments made in previous years from the Missouri Qualified Ethanol Producer Incentive Fund, bringing total program funding to \$8.6 million.

## Quality Systems Assessment for Missouri Livestock

This past year the state, through cooperative efforts of the Missouri Department of Agriculture and the state's cattlemen, became the first in the nation to implement a Quality Systems Assessment (QSA) Program. Participation in the program places the state in a position to add value to its cattle and capitalize on the recent re-opening of the Japanese market.

- The Governor recommends \$15,000 to enhance Missouri's livestock exports through the QSA Program, which will verify cattle origin and age for foreign market buyers.

# A Renewed Commitment to Agriculture

*“Missouri’s agriculture community is an integral and important part of our state’s history, heritage, and future economic growth.”*

*- Matt Blunt*

## 2005 Successes

### A Renewed Commitment to Missouri’s Agriculture Industry

Working with Missouri’s farmers and agribusiness is a priority for Governor Blunt. The Governor believes that agriculture has significant potential for future growth in both the crop and livestock sectors.

The past year has brought exciting developments for the renewable fuels industry with a new ethanol production facility

coming online, in addition to a groundbreaking ceremony for the state’s first biodiesel plant. To support these efforts, the Governor provided full funding for the ethanol payments in his first budget and supported significant improvements to the Biodiesel Producer Incentive Program.



Legislation was passed and budget priorities were enacted in 2005 that began the renewed commitment to Missouri's agriculture community.

- The Missouri Qualified Ethanol Producer Incentive Fund was extended from its current sunset in 2007 to 2015, ensuring the state's commitment to the production of ethanol for nearly another full decade. This will give farmers added confidence to invest in additional production facilities.
- The Governor and the General Assembly made good on the state's current commitment to the Missouri Qualified Ethanol Producer Incentive Fund by providing the full \$5.4 million in funding this year. In addition, \$2.6 million of the funds owed from previous years was also provided (*about one-fourth of the total back payments owed*).
- Natural gas, propane, and electricity used by an eligible new generation cooperative were exempted from state taxation, providing a competitive advantage for Missouri's farmer-owned businesses.
- Legislation signed by the Governor this year also allows use of the state's general revenue fund to support the Biodiesel Incentive Fund. Missouri's first biodiesel plant, located in Mexico, Missouri, will begin production next fall. This legislation will help ensure that the Mexico plant competes favorably with production facilities in surrounding states while also laying the foundation for additional biodiesel production in Missouri.

